

CAAR CHARLOTTEVILLE AREA HOME SALES REPORT



CUSTOM REPORT PREPARED BY
VIRGINIA REALTORS®

CAAR Home Sales Report

4th Quarter 2020

Charlottesville Area Association of REALTORS®

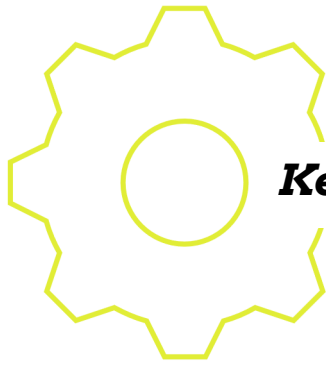
Market Report Key Takeaways

Economic Conditions

- In the 4th quarter of 2020, economic conditions continued to improve in Virginia, as well as in the Charlottesville region. There have been steady gains in employment and a consistent decline in the unemployment rate since the summer.
- Consumer confidence dropped in December, reflecting uncertain political and economic conditions at the end of 2020.
- Mortgage rates remained at historically low levels throughout the 4th quarter, fueling strong home sales activity.

Housing Market Conditions

- Sales are surging in the CAAR area housing market. There were 1,278 sales in the 4th quarter, a 23% jump from last year.
- Home prices are rising rapidly in all local markets. The overall median sales price for the region was \$348,050 in the 4th quarter, a 13% increase from last year, a gain of nearly \$40,000.
- There were 671 active listings on the market at the end of the 4th quarter in the CAAR footprint, which is about half of what the inventory level was last year.



Key Trends Dashboard, CAAR

Economy



3.7%

Is the November-2020 **unemployment rate** in the CAAR footprint, which is down from October-2020



2.65%

Is the **30-year fixed-rate mortgage rate** during the 1st week of January 2021, which is down 1.07 percentage points from a year ago

Housing Market



236

More **home sales** in the CAAR footprint in Q4-2020 compared to last year



13%

Percent change in **median sales price** in the CAAR region in Q4-2020 compared to a year ago



\$168.0

Million dollars more in total **sold volume** in the CAAR footprint in Q4-2020 compared to last year



-50%

Percent change in **active listings** at the end of Q4-2020 in the CAAR market compared to a year ago



1.7

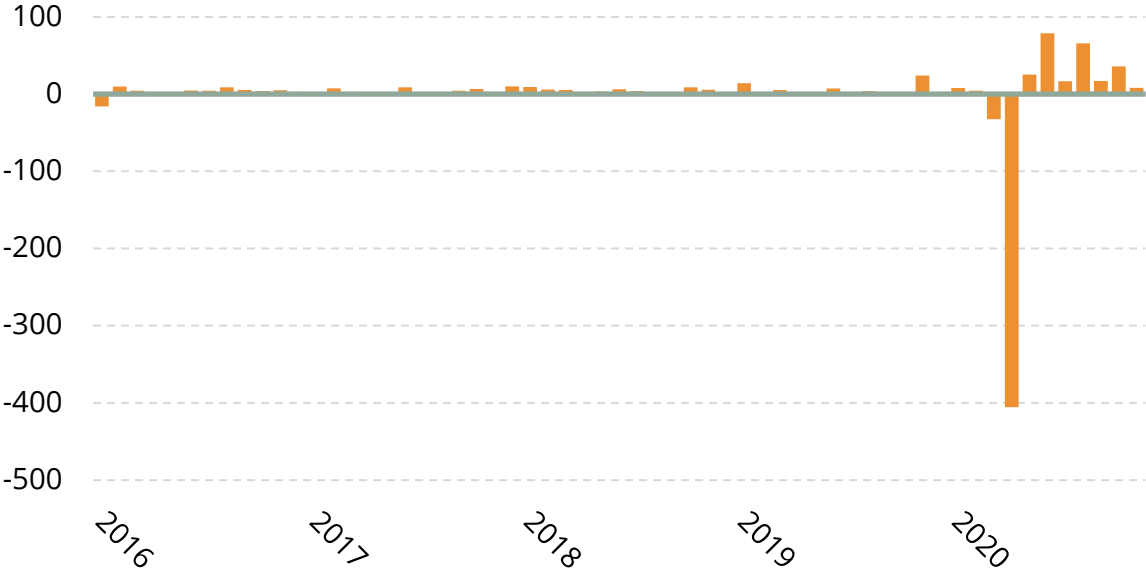
Months of supply in the CAAR footprint in Q4-2020, which is down from a year ago

Economic Overview

The economic recession officially began 10 months ago. Economic conditions continue to improve, although the pace of recovery has slowed in recent months. Looking ahead, the 2nd round of Federal assistance and the ramp-up in the distribution of the COVID-19 vaccine will be critical for strengthening the economy in 2021.

Economic conditions have rebounded faster in Virginia than in many other parts of the country. In the Commonwealth, the economy has added jobs for 7 consecutive months. The Statewide unemployment rate fell to 4.6% in November. Despite steady job gains, the State has regained only about 56% of the jobs that were lost during the spring. It is likely that it will take years for the economy to fully regain the jobs that have been lost during this recession.

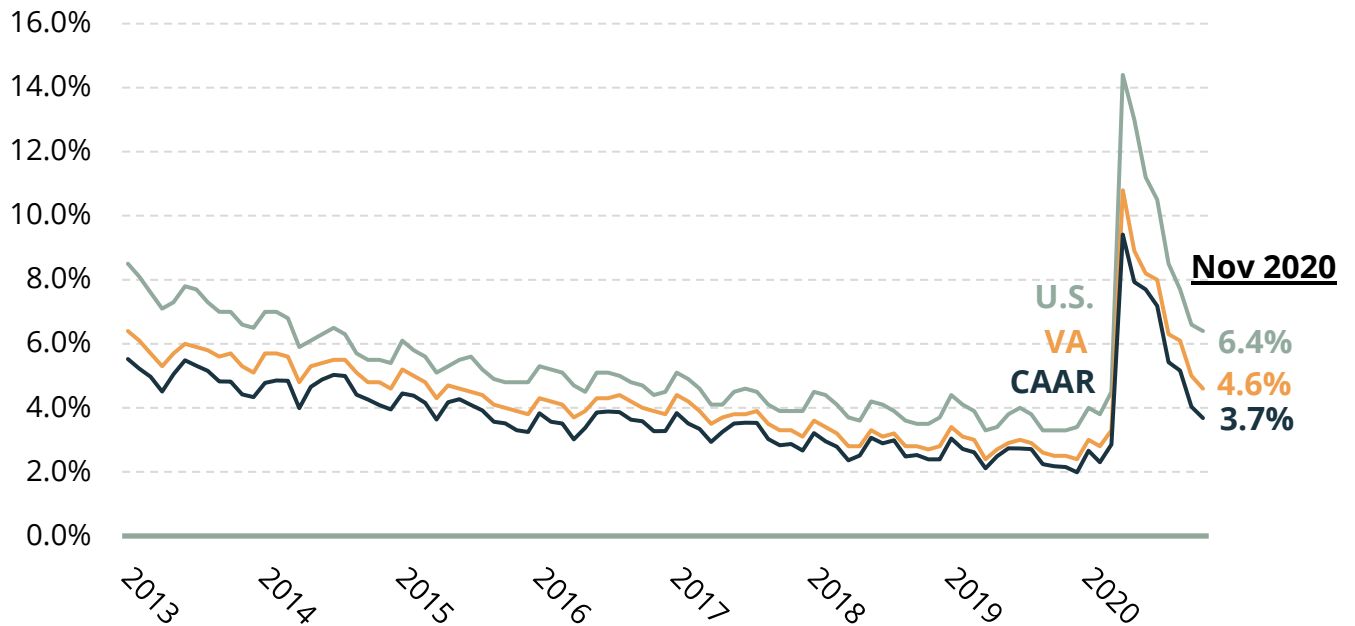
Figure 1
Virginia Month-to-Month Change in Jobs



Source: U.S. Bureau of Labor Statistics, Seasonally Adjusted

Like the rest of the Commonwealth, the Charlottesville area has seen economic conditions improve through the end of 2020. The regional unemployment rate was 3.7% in November, falling steadily from the peak unemployment rate of 9.4% in April. While unemployment remains slightly elevated compared to a year ago, the downward trend in the region's unemployment rate is a positive sign.

Figure 2
Unemployment Rate

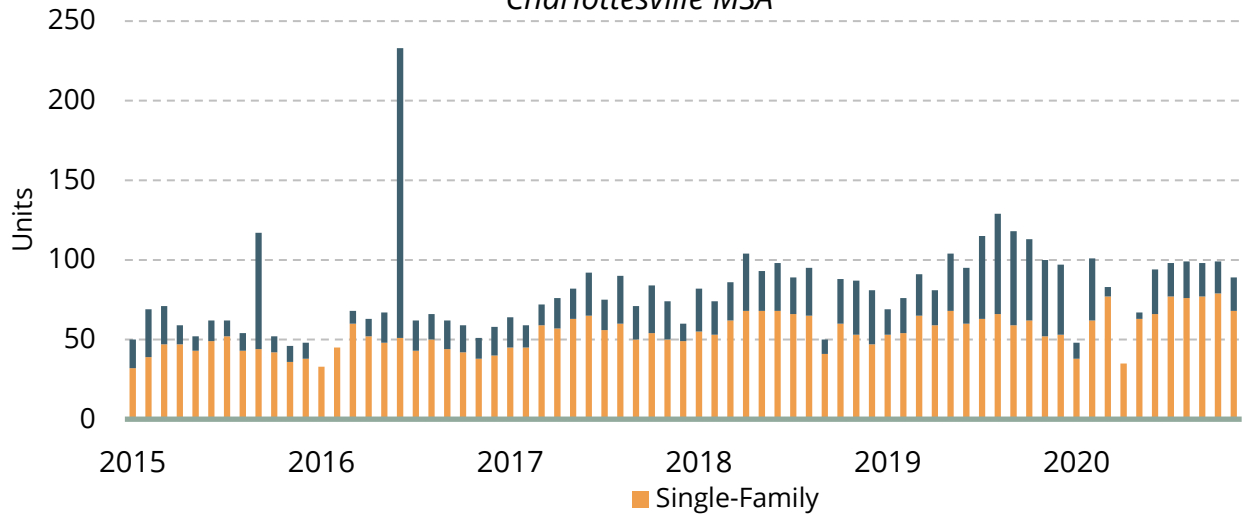


Source: U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics

New residential construction activity remained steady during the 3rd and 4th quarters of 2020. Over the months of July through November, there were permits issued for a total of 483 residential units, which is down slightly from the same period a year ago. This fall, permits were issued consistently for around 100 new housing units per month.

In September, October, and November, nearly 80% of new housing units constructed were single-family homes and 20% were multifamily homes or townhomes.

Figure 3
Monthly Permits for New Residential Construction
Charlottesville MSA



Source: U.S. Census Bureau

*Charlottesville MSA includes Charlottesville City, Albemarle County, Buckingham County, Fluvanna County, Greene County, and Nelson County

Measures of consumer confidence reflect how people feel about economic conditions. As a result of economic and political uncertainties, as well as rising numbers of COVID-19 cases, consumer confidence dropped in December. The measure of confidence in the present economic situation was 101.1, but the future consumer confidence index fell to 92.2. A consumer confidence index below 100 indicates people are feeling more pessimistic.

Figure 4
Consumer Confidence
South Atlantic Region

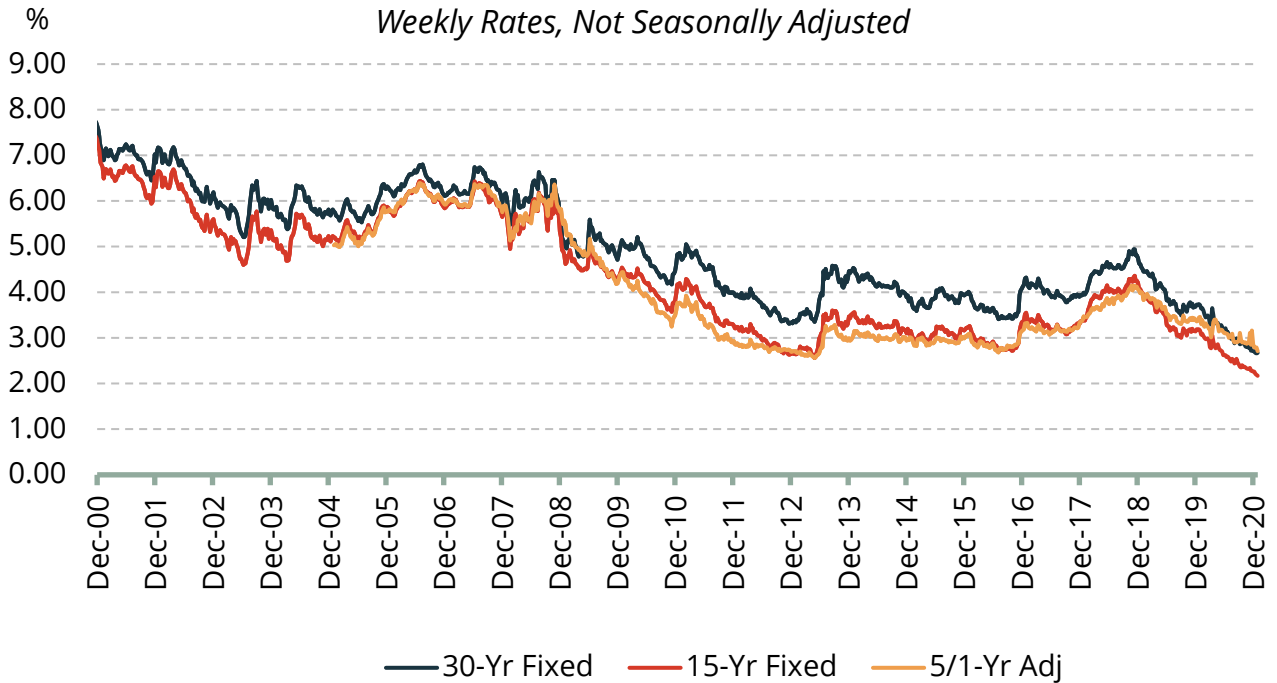


Source: The Conference Board

During the 4th quarter, historically low mortgage rates continued to support strong refinance and purchase activity. According to data reported by Freddie Mac, the average 30-year fixed-rate mortgage rate has been below 3% for 23 consecutive weeks. In the 1st week of January, the average 30-year fixed-rate mortgage rate was 2.65%, which is a full percentage point lower than the same time last year.

Figure 5
Mortgage Interest Rates

Weekly Rates, Not Seasonally Adjusted



Source: Federal Reserve Bank of St. Louis

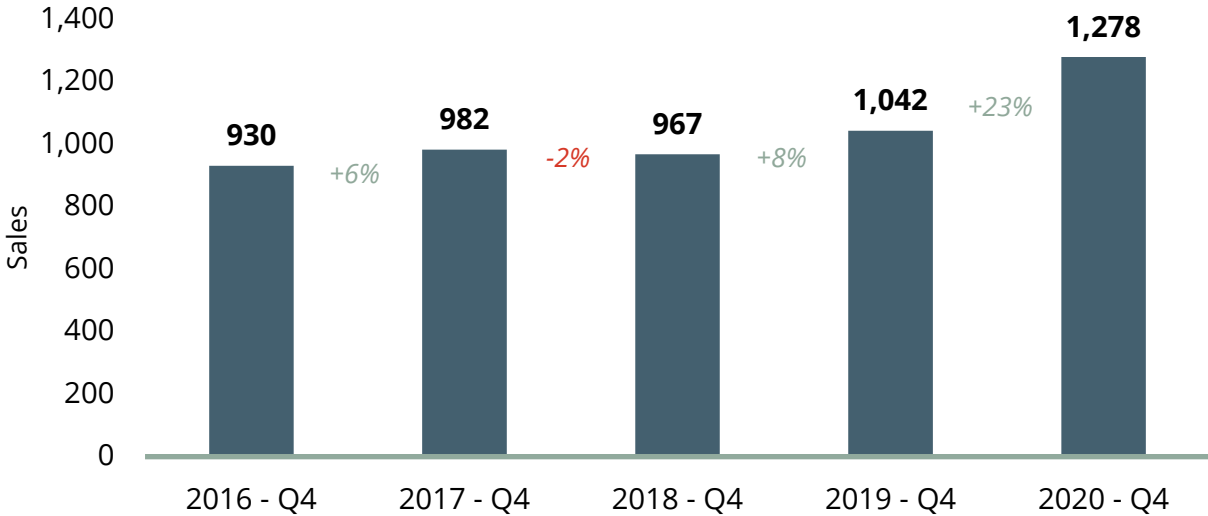
Housing Market Overview

The CAAR area housing market had a very strong quarter. Growth in sales, median price, and sold dollar volume all reached multiyear highs. Pent-up demand from earlier in the year and attractive interest rates continue to drive market growth and expansion in the region. Homes sold faster on average this quarter, which reflects strong buyer demand and the increasingly low inventory of homes on the market. The overall supply in the CAAR footprint has now dipped below 2 months for the first time in more than 5 years.

Sales

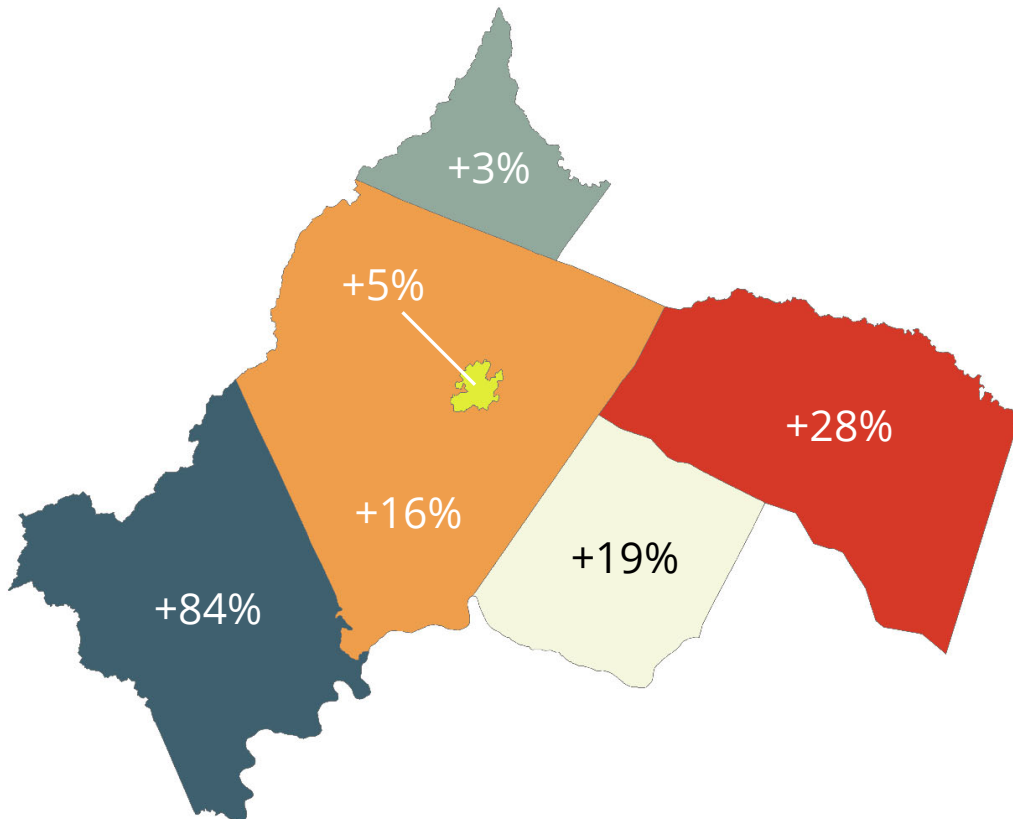
Sales activity in the CAAR market was very busy at the end of 2020. There were 1,278 sales across the region during the 4th quarter, a 23% jump in sales from last year, which is 236 additional sales. This represents the largest increase in sales in more than 5 years and reflects continued pent-up demand from earlier in the year. The number of home sales Statewide was up 28% in the 4th quarter compared to a year ago.

Figure 6
4th Quarter Home Sales, CAAR
2016-2020



Source: Virginia REALTORS®, data accessed January 15, 2021

Figure 7
Change in Sales by Jurisdiction
CAAR
4th Quarter 2019 to 4th Quarter 2020



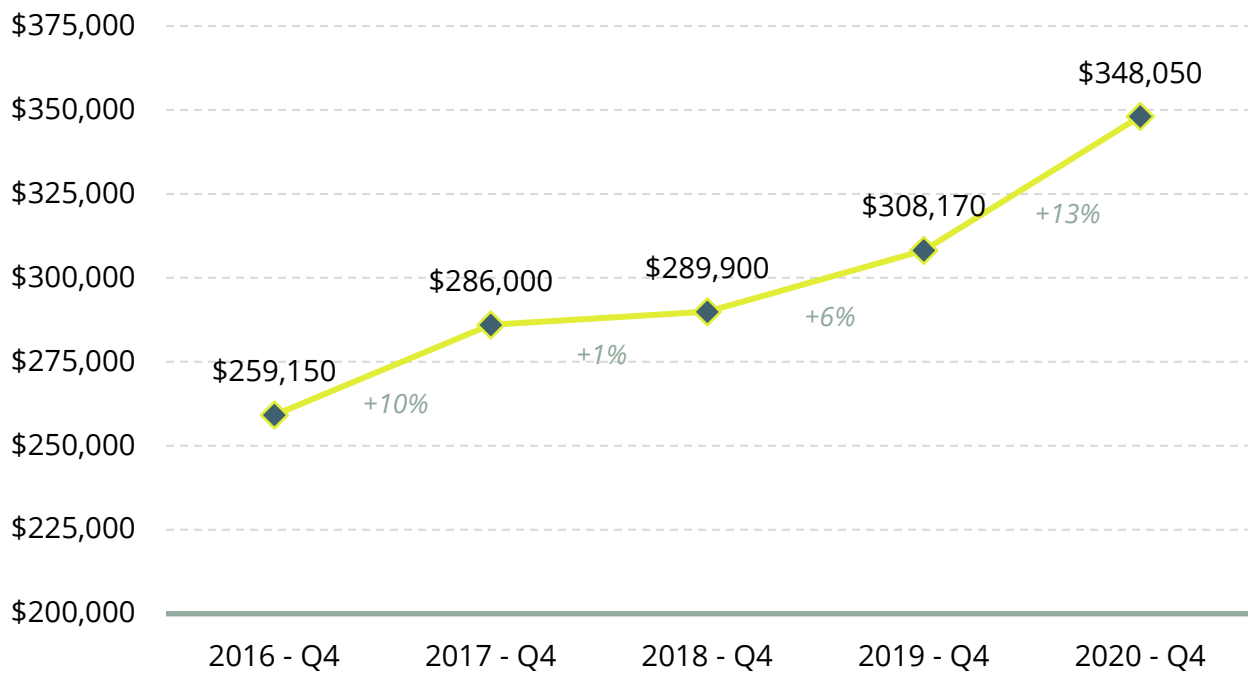
<i>Jurisdiction</i>	<i>2019 - Q4</i>	<i>2020 - Q4</i>	<i>% Change</i>
Albemarle County	438	506	16%
Charlottesville	120	126	5%
Fluvanna County	134	160	19%
Greene County	76	78	3%
Louisa County	170	217	28%
Nelson County	104	191	84%

Source: Virginia REALTORS®, data accessed January 15, 2021

Sales Prices

As buyer demand continues to surge and the inventory of active listings remains very low, home prices in the CAAR region are climbing at an increasingly fast pace. The 4th quarter median sales price in the area was \$348,050, which is nearly \$40,000 higher than this time last year, a 13% jump. This is the largest price gain for the region's housing market in more than 5 years. The Statewide median sales price in the 4th quarter was \$329,000, an 11% increase from a year earlier.

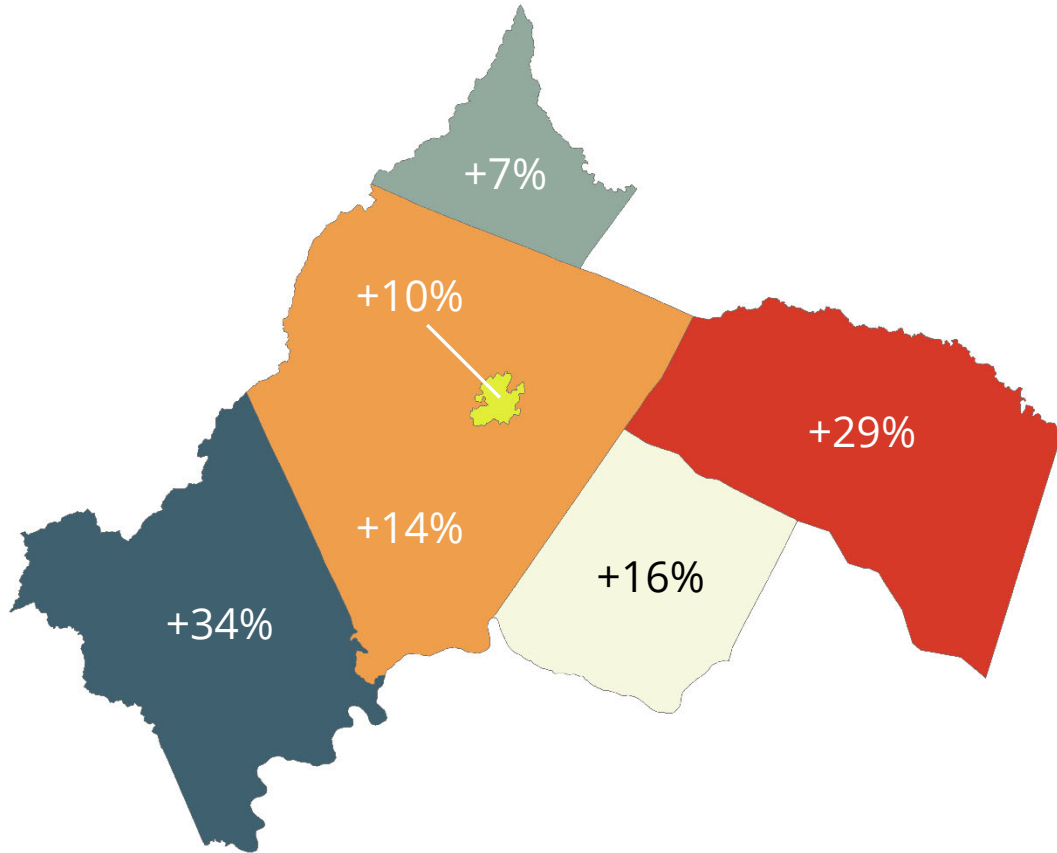
Figure 8
4th Quarter Median Sales Price, CAAR
2016-2020



Source: Virginia REALTORS®, data accessed January 15, 2021

Figure 9
Change in Median Sales Price by Jurisdiction
CAAR

4th Quarter 2019 to 4th Quarter 2020



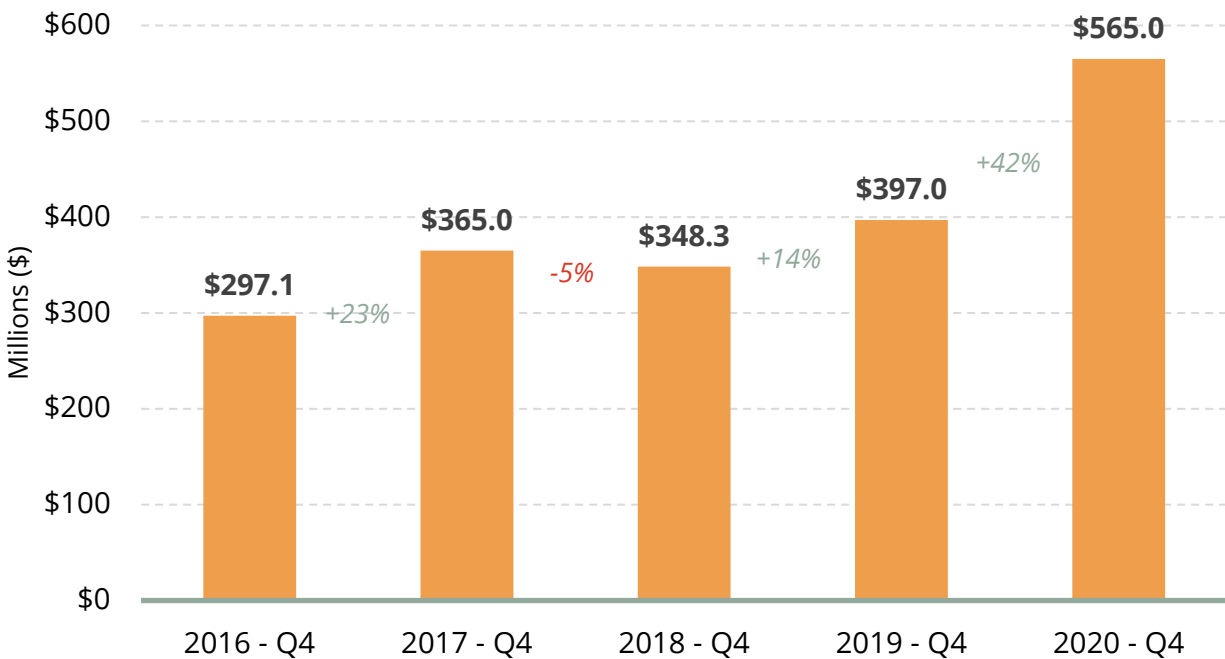
<i>Jurisdiction</i>	<i>2019 - Q4</i>	<i>2020 - Q4</i>	<i>% Change</i>
Albemarle County	\$369,250	\$420,000	14%
Charlottesville	\$367,898	\$403,750	10%
Fluvanna County	\$236,500	\$275,000	16%
Greene County	\$284,660	\$304,750	7%
Louisa County	\$245,000	\$315,000	29%
Nelson County	\$230,000	\$309,000	34%

Source: Virginia REALTORS®, data accessed January 15, 2021

Sold Volume

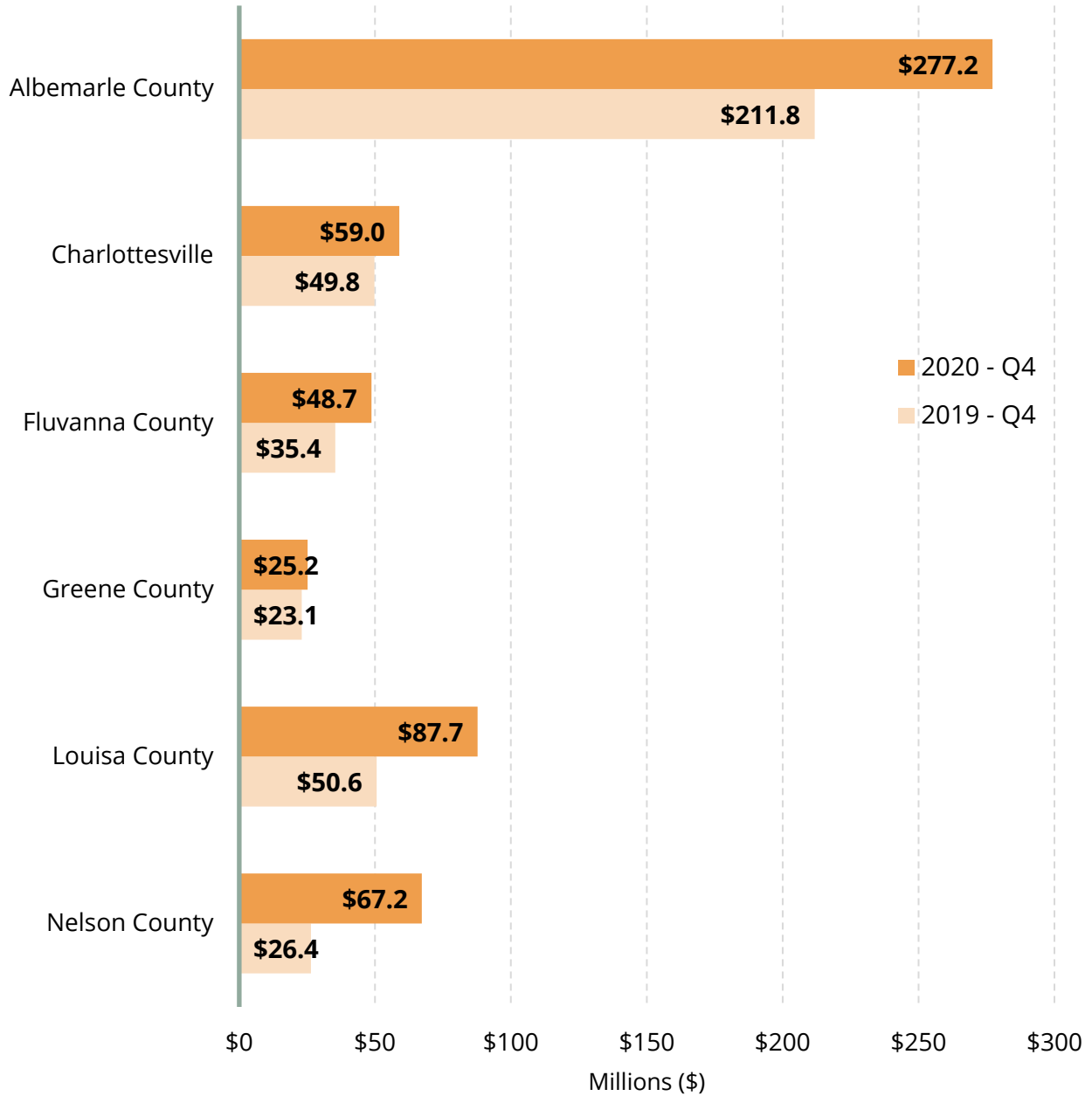
The CAAR housing market had its strongest 4th quarter of sold volume in more than 5 years as both sales and home prices surged to multiyear highs. There was approximately \$565 million of sold volume throughout the footprint in the 4th quarter, a dramatic 42% jump from last year, which is a gain of about \$168 million. Other than a slowdown in the spring of 2020, the sold dollar volume in the region’s housing market has been rising consistently for about 2 years.

Figure 10
4th Quarter Sold Dollar Volume (Millions), CAAR
2016-2020



Source: Virginia REALTORS®, data accessed January 15, 2021

Figure 11
4th Quarter Sold Dollar Volume, CAAR Jurisdictions
2019 and 2020

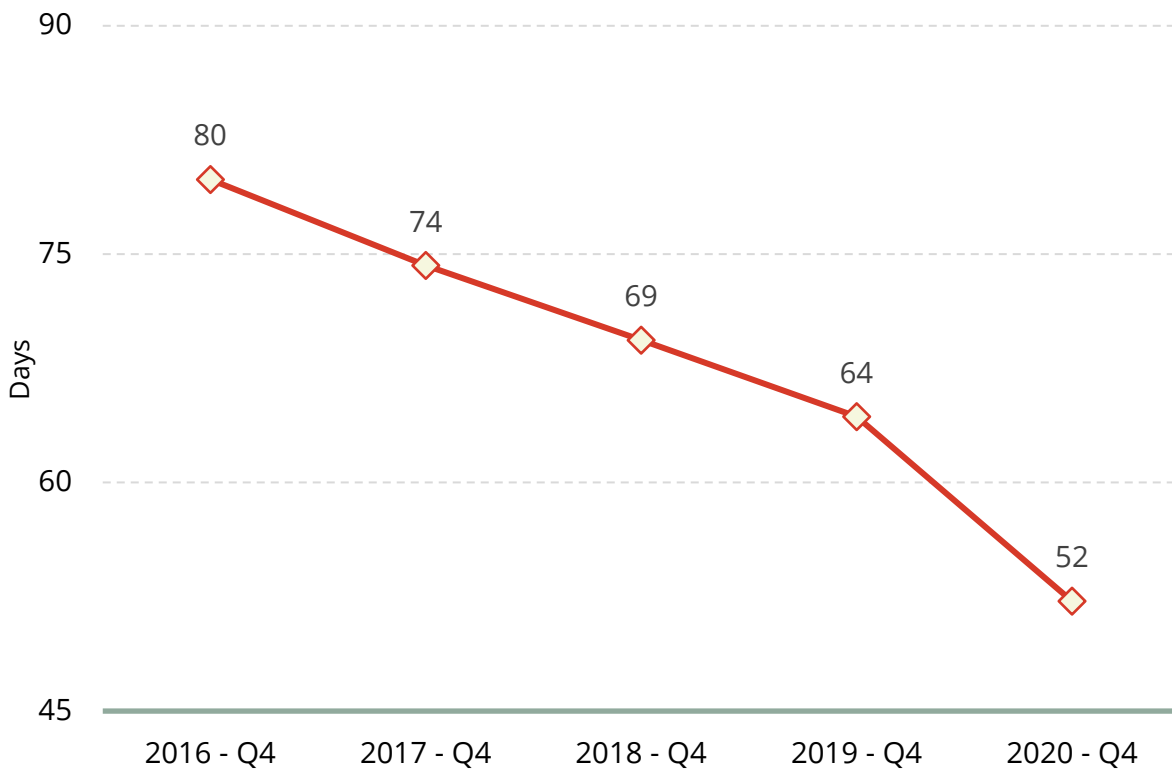


Source: Virginia REALTORS®, data accessed January 15, 2021

Days on Market

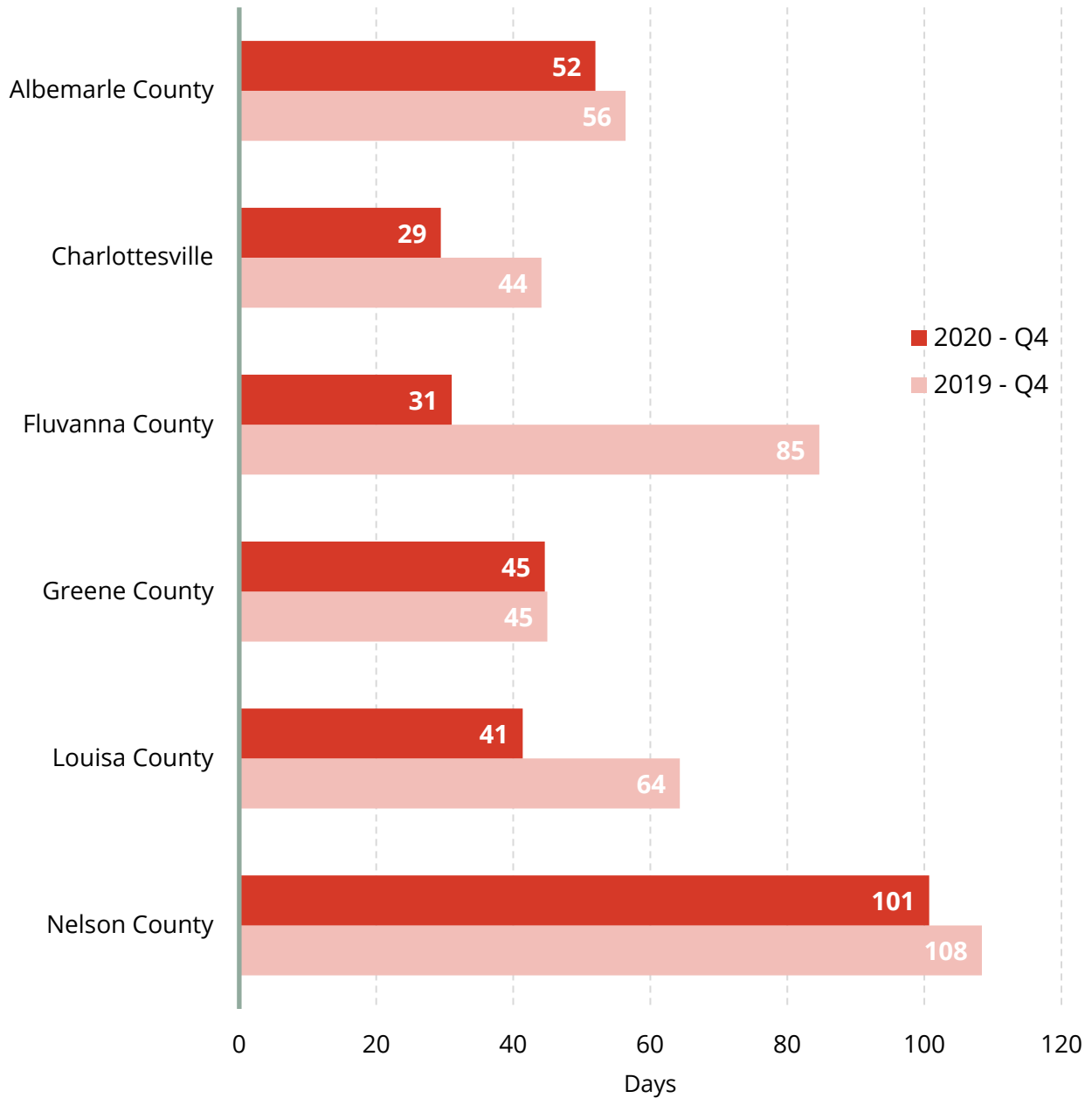
Homes sold faster on average in the CAAR area housing market this quarter. Homes that sold in the 4th quarter were on the market for 52 days, on average, which is 12 days faster than a year ago. Prior to this decrease, the average days on market in the region had increased for 2 straight quarters. Statewide, homes were on the market for an average of 33 days in the 4th quarter.

Figure 12
4th Quarter Average Days on Market, CAAR
2016-2020



Source: Virginia REALTORS®, data accessed January 15, 2021

Figure 13
4th Quarter Average Days on Market, CAAR Jurisdictions
2019 and 2020



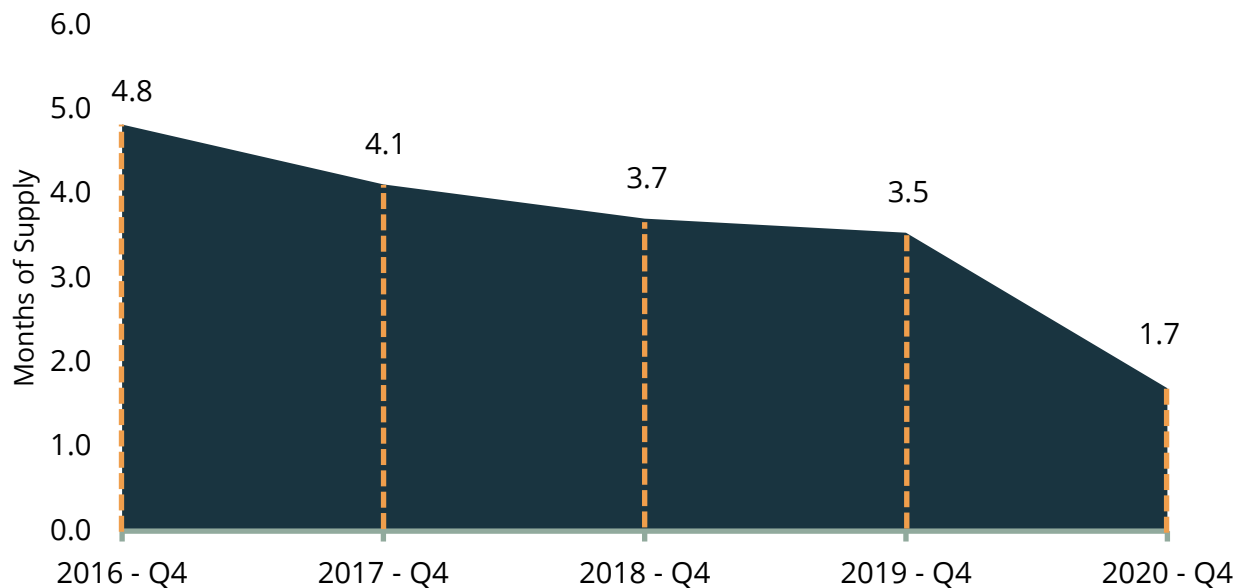
Source: Virginia REALTORS®, data accessed January 15, 2021

Inventory

The inventory in the CAAR regional housing market is plunging. The supply has been trending down for several years; however, the pace has accelerated dramatically in 2020. There were 671 active listings on the market across the CAAR footprint at the end of the 4th quarter, which is about half the level it was a year ago (-50%), a reduction of 667 active listings. This represents the largest decrease of any quarter in more than 5 years. At the end of the 4th quarter, there was a total of 17,537 listings Statewide, a drop of more than 38% from a year ago.

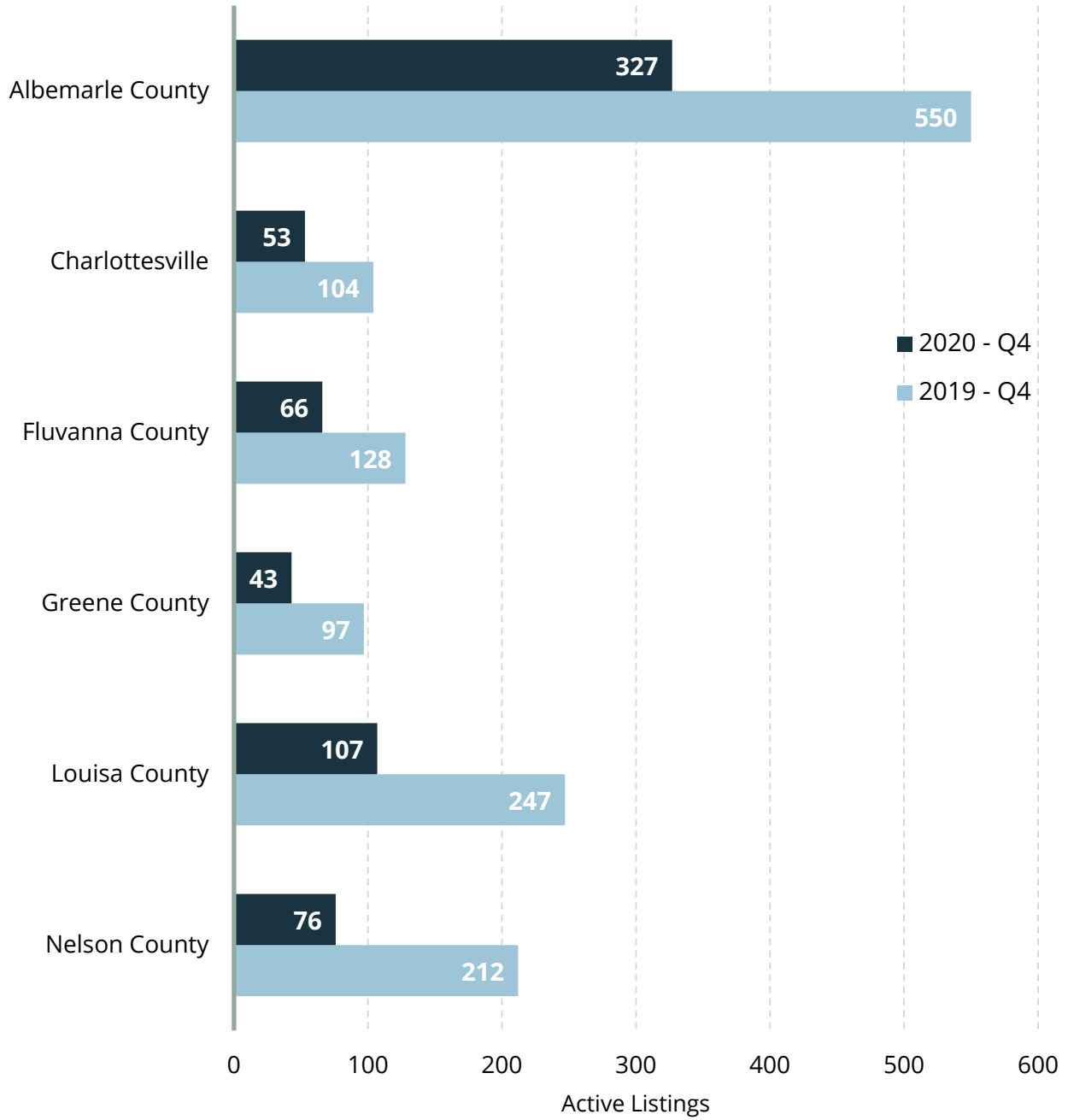
There was just 1.7 months of supply at the end of the 4th quarter in the CAAR region, down from 3.5 months a year ago. The months of supply is calculated by taking the average monthly sales over the preceding 12-month period and dividing it by the inventory of active listings.

Figure 14
End of 4th Quarter Months Supply, CAAR
2016-2020



Source: Virginia REALTORS®, data accessed January 15, 2021

Figure 15
End of 4th Quarter Active Listings, CAAR Jurisdictions
2019 and 2020



Source: Virginia REALTORS®, data accessed January 15, 2021



Local Snapshot – *Albemarle County*

Sales: There were 506 sales in Albemarle County during the 4th quarter, a 16% increase from last year, which is 68 additional sales. Sales activity has increased in the County 6 of the past 8 quarters.

Median Sales Price: Home prices rose dramatically this quarter in Albemarle County. At \$420,000, the 4th quarter median sales price in the County is nearly \$51,000 higher than it was at this time last year, representing a 14% jump. This is the largest median price increase in the County's housing market in more than 5 years.

Sold Volume: There was approximately \$277.2 million of sold volume in Albemarle County during the 4th quarter, a 31% spike from last year, which is about \$65.4 million of additional volume. This is the sharpest sold volume gain in the County in more than 5 years.

Days on Market: The average days on market in Albemarle County during the 4th quarter was 52 days, which is 4 days faster than a year ago.

Inventory: The supply is shrinking rapidly in the Albemarle County housing market. There were 327 active listings on the market in the County at the end of the 4th quarter, a 41% plunge from last year, which is 223 fewer active listings.



Local Snapshot – *Charlottesville*

Sales: After 2 straight quarters of sluggish sales, the Charlottesville housing market rebounded this quarter. There were 126 home sales in the City during the 4th quarter, 6 more sales than last year, representing a 5% increase.

Median Sales Price: Home prices continue to climb in Charlottesville. The 4th quarter median sales price was \$403,750, which is nearly \$36,000 higher than a year ago, a 10% price gain. Prices have been trending up in the City for the past several years.

Sold Volume: There was about \$59.0 million of sold volume in Charlottesville in the 4th quarter, an 18% jump from last year, an increase of about \$9.2 million. This is the largest volume gain in the City since the summer of 2018.

Days on Market: After trending upward for much of the past 2 years, homes sold much faster on average in Charlottesville this quarter. The 4th quarter average days on market in the City was 29 days, which is about 2 weeks faster than a year ago (-15 days).

Inventory: There were 53 active listings on the market in Charlottesville at the end of the 4th quarter, which is about half the inventory level as last year (-49%), a reduction of 51 active listings.



Local Snapshot – *Fluvanna County*

Sales: Home sales are surging in Fluvanna County. There were 160 sales in the County during the 4th quarter, a 19% jump from last year, a gain of 26 sales. This is the largest influx of sales in Fluvanna County since the summer of 2019.

Median Sales Price: The 4th quarter median sales price in Fluvanna County was \$275,000, a 16% increase from a year ago, a gain of \$38,500. Home prices have been trending up in the County for 7 quarters in a row.

Sold Volume: There was approximately \$48.7 million of sold volume in Fluvanna County in the 4th quarter, a 38% spike from last year, which is about \$13.3 million of additional volume.

Days on Market: It took about a month on average (31 days) for homes to sell in Fluvanna County in the 4th quarter, which is nearly 2 months faster (-54 days) than last year. Strong demand and low inventory are driving this metric down in the County.

Inventory: There were 66 active listings on the market at the end of the 4th quarter in Fluvanna County, a 48% reduction from this time last year, which is 62 fewer active listings.



Local Snapshot – *Greene County*

Sales: There were 78 sales in Greene County in the 4th quarter, a 3% increase from last year, a gain of 2 sales. Prior to this modest increase, sales had been declining since the spring.

Median Sales Price: At \$304,750, the 4th quarter median sales price in Greene County rose 7% from last year, an increase of over \$20,000. Prices have been trending up in the County consistently since the summer of 2018.

Sold Volume: The uptick in sales and solid price growth drove up the sold dollar volume this quarter in Greene County. There was about \$25.2 million of sold volume in the County during the 4th quarter, which is about \$2.1 million more than last year, representing a 9% increase.

Days on Market: At 45 days, the average days on market in Greene County during the 4th quarter is unchanged from last year.

Inventory: There were 43 active listings on the market in Greene County at the end of the 4th quarter, a 56% drop from a year ago, which is a reduction of 54 active listings. The inventory has been shrinking rapidly in the County for 3 straight quarters.



Local Snapshot – *Louisa County*

Sales: There were 217 sales in Louisa County in the 4th quarter, a 28% increase from last year, which is 47 more sales. Sales have been on the rise in the County for 4 straight quarters.

Median Sales Price: Home prices rose sharply this quarter in Louisa County. At \$315,000, the 4th quarter median sales price in the County jumped up by \$70,000 compared to a year ago, which is a 29% gain. This is by far the largest price increase the County has had in more than 5 years.

Sold Volume: Driven by strong growth in sales and surging home prices, there was a large sold dollar volume gain this quarter in Louisa County. There was about \$87.7 million of sold volume in the 4th quarter in the County, an increase of \$37.1 million, a 73% jump.

Days on Market: The average days on market during the 4th quarter in Louisa County was 41 days, which is about 3 weeks faster than last year (-23 days).

Inventory: The supply of active listings continues to shrink rapidly in Louisa County. There were 106 active listings at the end of the 4th quarter, less than half the level there was a year ago (-57%), a reduction of 141 active listings.



Local Snapshot – *Nelson County*

Sales: Nelson County continues to have the strongest sales growth in the CAAR region. There were 191 sales in the 4th quarter in the County, an 84% spike in sales activity compared to last year, which is 87 more sales.

Median Sales Price: Home prices surged up dramatically this quarter in Nelson County. At \$309,000, the 4th quarter median sales price was \$79,000 higher than last year, which is a 34% jump in price.

Sold Volume: There was about \$67.2 million of sold volume in Nelson County in the 4th quarter, more than 2.5 times the volume last year (+154%), which is an increase of \$40.8 million. The increased sales activity and rising prices drove this large volume growth in the County, the largest gain in more than 5 years.

Days on Market: At 101 days, the average days on market in Nelson County during the 4th quarter was a week faster than last year (-7 days).

Inventory: The supply of homes on the market in Nelson County is dwindling. There were 76 active listings in the County at the end of the 4th quarter, a 64% drop from last year, which is 136 fewer active listings.



The Virginia REALTORS® association is one of the largest professional trade associations in Virginia, representing 35,000 REALTORS® engaged in the residential and commercial real estate business. The Virginia REALTORS® association serves as the advocate for homeownership and private property rights and represents the interests of real estate professionals and property owners in the Commonwealth of Virginia.

NOTE: The term REALTOR® is a registered collective membership mark that identifies a real estate professional who is a member of the National Association of REALTORS® and subscribes to its strict code of ethics.

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Data and analysis provided by Virginia REALTORS® Chief Economist, Lisa Sturtevant, PhD.

The numbers reported here are preliminary and based on current entries into multiple listing services. Over time, data may be adjusted slightly to reflect increased reporting. Information is sourced from multiple listing services across Virginia and is deemed reliable, but not guaranteed.